

NEWS RELEASE



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SOUTHERN DISTRICT OF CALIFORNIA
San Diego, California***

***United States Attorney
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For Immediate Release

***MARIJUANA GROW ORGANIZER REMANDED TO SERVE FIVE YEARS IN
CUSTODY FOR MANUFACTURING MARIJUANA PLANTS AND MONEY
LAUNDERING HIS DRUG PROCEEDS***

NEWS RELEASE SUMMARY - November 20, 2006

United States Attorney Carol C. Lam announced that Bardia Rahimzadeh was sentenced today in federal court in San Diego by United States District Court Judge Larry A. Burns to serve 60 months in custody for cultivating marijuana plants and laundering his drug proceeds through several real estate transactions. Judge Burns also ordered the forfeiture of four residential properties in San Diego County, cash, bank accounts, and other assets, totaling over a million dollars. Judge Burns further ordered that Rahimzadeh serve a four-year term of supervised release following his release from prison. Rahimzadeh expressed remorse for his conduct before being remanded into the custody of the U.S. Marshal.

On August 14, 2006, shortly before trial, Rahimzadeh pled guilty to six federal felony counts of a superseding indictment, including manufacturing marijuana plants, conspiracy to launder money, and four counts of money laundering. According to Assistant U.S. Attorney Sherri Walker Hobson, who prosecuted

the case, in connection with his pleas Bardia Rahimzadeh admitted that he knowingly and intentionally manufactured marijuana plants at a residence located at Crestwood Drive, Oceanside, California, where agents found 888 marijuana plants following the execution of search warrants on February 24, 2006. Rahimzadeh also agreed that electricity was stolen from SDG&E to operate his marijuana grow operation. SDG&E estimated that Rahimzadeh stole more than \$56,000 in electricity during the marijuana grow operation by using an illegal by-pass at the marijuana grow locations.

Regarding the money laundering charges, Rahimzadeh admitted that he used drug proceeds to purchase the property located on Crestwood Drive in order to facilitate and promote his drug activities. Rahimzadeh purchased the Crestwood property in December 2004. He also admitted that he intentionally transferred ownership of three real properties to Mithril Management Inc., on or about August 25, 2005, for the purpose of disguising the nature, location, source, ownership, and control of the proceeds of his illegal activity; that is, manufacturing marijuana plants. Rahimzadeh also admitted that he made mortgage payments with money orders for his three residential properties with proceeds from manufacturing marijuana plants, in order to conceal the source of the proceeds.

Bardia Rahimzadeh further admitted that after the search warrants were executed on February 24, 2006, he directed an employee at Osprey Business Systems to transfer approximately \$94,870, by wire, from his account at Osprey Business Systems in Oregon, to the Wells Fargo Bank account of one of his friends (also a bank employee) to shield the proceeds from law enforcement.

In connection with his guilty plea, Rahimzadeh also agreed to forfeit: four residential properties in Oceanside, California; \$87,676.06 obtained from a Wells Fargo Bank account; \$4,052.18 obtained from another Wells Fargo Bank account; \$36,549.37 obtained from a Bank of America account; \$33,195.71 obtained from a Charles Schwab account; a 2006 Toyota Sienna, valued at \$26,000; and a 2005 Mercedes Benz valued over \$90,000. In addition, Rahimzadeh also forfeited \$35,000 in an escrow account in Las Vegas. Rahimzadeh also agreed to pay restitution to San Diego Gas and Electric, which he paid in full today.

United States Attorney Carol C. Lam stated, "Mr. Rahimzadeh's conduct is an example of the greed that drives drug traffickers."

“Individuals who utilize dishonest measures to launder proceeds from illegal drug activity, and use the proceeds to live an extravagant lifestyle face prosecution and the forfeiture of their assets,” said Ronald Krajewski, Acting Special Agent in Charge, IRS Criminal Investigation.

DEA Acting Special Agent in Charge Alan Poleszak noted, “Marijuana cultivation is drug trafficking – plain and simple. The growing and dealing of marijuana at all levels is a huge money maker. Mr. Rahimzadeh’s sole purpose in this endeavor was money, with complete disregard for anything else. Today his profits and his liberty have been taken from him.”

The case is the result of an investigation by the Internal Revenue Service - Criminal Investigation, the Drug Enforcement Administration, and the San Diego Narcotics Task Force.

DEFENDANT **Case Number: 06cr0511-LAB**

BARDIA RAHIMZADEH

SUMMARY OF CHARGES

Title 21, United States Code, Section 841(a)(1) (Manufacturing Marijuana Plants (888 plants))
Title 18, United States Section 1956(h) (Conspiracy to Launder Money)
Title 18, United States Code, Section 1956(a)(1)(B)(I) (Money Laundering)

AGENCIES

Internal Revenue Service - Criminal Investigation
Drug Enforcement Administration
San Diego Narcotics Task Force